

Question No : 1 of 27

Marks: 1 (Budgeted Time 1 Min)

If the holding company owns 100% shares of the subsidiary company then the subsidiary type will be termed as:

Answer (Please select your correct option)

- ☐ Partially Owned Subsidiary
- ☐ Wholly Owned Subsidiary
- ☐ Direct Subsidiary
- ☐ Indirect Subsidiary

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Question No : 2 of 27

Marks: 1 (Budgeted Time 1 Min)

Which of the following schedule provides disclosure requirements for Listed Companies under Companies Ordinance 1984?

Answer (Please select your correct option)

- ☐ 4th schedule
- ☐ 5th schedule
- ☐ 6th schedule
- ☐ 2nd schedule

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Question No : 3 of 27

Marks: 1 (Budgeted Time 1 Min)

Which one of the following cost is NOT attributable to the Property, Plant and Equipment?

Answer (Please select your correct option)

- ☐ Costs of site preparation
- ☐ Administration and other general overhead cost
- ☐ Initial delivery and handling charges
- ☐ Installation and assembly costs

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Question No : 4 of 27

Marks: 1 (Budgeted Time 1 Min)

Which of the following is an example of research activities with respect to Intangible Assets?

Answer (Please select your correct option)

- ☐ Activities aimed at obtaining new knowledge
- ☐ The design of tools, jigs, moulds and dies involving new technology
- ☐ The design, construction and testing of pre-production or pre-use prototypes and models
- ☐ The design, construction and operation of a pilot plant

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Question No : 5 of 27

Marks: 1 (Budgeted Time 1 Min)

Which one of the following is an example of Intangible Assets?

Answer (Please select your correct option)

- ☐ Preliminary expenses
- ☐ Copy rights
- ☐ Investments
- ☐ Discount on issue of shares

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Question No : 6 of 27

Marks: 1 (Budgeted Time 1 Min)

The books of a business show premises of Rs. 20,000 and other net assets of Rs. 30,000. Mr. "X" buys the business for Rs. 60,000 and he valued the premises at Rs. 28,000. How much does Mr. "X" pay for Goodwill?

Answer (Please select your correct option)

- ☐ Rs. 8,000
- ☐ Rs. 2,000
- ☐ Rs. 10,000
- ☐ Rs. 40,000

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Question No : 7 of 27

Marks: 1 (Budgeted Time 1 Min)

Which of the following is related to IAS-02?

Answer (Please select your correct option)

- ☐ Property, Plant and Equipment
- ☐ Intangible Assets
- ☐ Inventories
- ☐ Borrowing Costs

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Question No : 8 of 27

Marks: 1 (Budgeted Time 1 Min)

Which of the following Method is suitable for calculating the cost of inventory when actual costs of individual units of merchandise can be determined from the accounting records?

Answer (Please select your correct option)

- ☐ FIFO Method
- ☐ LIFO Method
- ☐ Weighted Average Method
- ☐ Specific Identification Method

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Question No : 9 of 27

Marks: 1 (Budgeted Time 1 Min)

Which of the following is **TRUE** with respect to the Periodic Inventory System?

Answer (Please select your correct option)

- ☐ Receipt of inventory is debited to Stock Account
- ☐ Receipt of inventory is Credited to Stock Account
- ☐ Receipt of inventory is debited to Purchase Account
- ☐ Receipt of inventory is Credited to Purchase Account

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Question No : 10 of 27	Marks: 1 (Budgeted Time 1 Min)
<p>IF</p> <ul style="list-style-type: none"> Direct Material Cost is Rs. 15,000 Factory overhead is Rs. 5,000 Prime Cost is Rs. 30,000 <p>Then:</p> <p style="margin-left: 20px;">What is the amount of Manufacturing Cost?</p>	
Answer (Please select your correct option)	
C	Rs. 10,000
C	Rs. 20,000
C	Rs. 35,000
C	Rs. 45,000
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Question No : 11 of 27	Marks: 1 (Budgeted Time 1 Min)
<p>Which of the following is a treatment of accounting for an investment in jointly controlled entities?</p>	
Answer (Please select your correct option)	
C	Benchmark Treatment: Weighted Average Method
C	Allowed Alternative Treatment: LIFO Method
C	Benchmark Treatment: FIFO Method
C	Allowed Alternative Treatment: Equity Method
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Question No : 12 of 27	Marks: 1 (Budgeted Time 1 Min)
<p>Which of the following is TRUE with respect to the investments?</p>	
Answer (Please select your correct option)	
C	Investment whose fair value cannot be measured reliably should be measured at cost
C	Investment whose fair value can be measured reliably should be measured at cost
C	Investment whose fair value cannot be measured reliably should be measured at market value
C	None of the given options
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Question No : 13 of 27

Marks: 1 (Budgeted Time 1 Min)

Which one of the following is **NOT** an example of Financial Instruments?

Answer (Please select your correct option)

- ☐ Inventories
- ☐ Loans payable
- ☐ Share capital
- ☐ Debentures

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Question No : 14 of 27

Marks: 1 (Budgeted Time 1 Min)

Which one of the following is an example of Financial Instruments?

Answer (Please select your correct option)

- ☐ Inventories in debentures of other companies
- ☐ Income tax payable
- ☐ Stock
- ☐ Advance payments

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Question No : 15 of 27

Marks: 1 (Budgeted Time 1 Min)

Which of the following is **NOT** the type of Market Risk?

Answer (Please select your correct option)

- ☐ Price Risk
- ☐ Liquidity Risk
- ☐ Interest Rate Risk
- ☐ Currency Risk

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Question No : 16 of 27

Marks: 1 (Budgeted Time 1 Min)

Which of the following represents the objective of the financial statements?

Answer (Please select your correct option)

- ☐ To provide the information about the business objectives
- ☐ To provide the information about the business liabilities
- ☐ To provide the information about the business assets
- ☐ To provide the information about the Financial position, Financial performance and Changes in financial position

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Question No : 17 of 27

Marks: 1 (Budgeted Time 1 Min)

Which of the following function is **NOT** performed by the IASC?

Answer (Please select your correct option)

- ☐ Looking at urgent issues
- ☐ Producing accounting standards
- ☐ Reviewing accounting standards
- ☐ Reviewing published financial statements

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Question No : 18 of 27

Marks: 1 (Budgeted Time 1 Min)

Which of the following statement shows the financial health of the business?

Answer (Please select your correct option)

- ☐ Cash Flows Statement
- ☐ Income Statement
- ☐ Balance Sheet
- ☐ Statement of Owner's equity

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Question No : 19 of 27

Marks: 1 (Budgeted Time 1 Min)

Which of the following describes the Net Worth of the Company?

Answer (Please select your correct option)

☐

Total Asset – Total Liabilities

☐

Total Asset – Current Liabilities

☐

Fixed Asset – Current Liabilities

☐

Current Asset – Current Liabilities

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Question No : 20 of 27

Marks: 1 (Budgeted Time 1 Min)

Which of the following is **NOT** a component of equity?

Answer (Please select your correct option)

☐

Share Capital

☐

General Reserves

☐

Long Term Loans

☐

Revenue Reserves

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Question No : 21 of 27

Marks: 1 (Budgeted Time 1 Min)

Which of the following IAS deals with the term Control for relationship between companies?

Answer (Please select your correct option)

☐

IAS 27

☐

IAS 28

☐

IAS 01

☐

IAS 07

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Question No : 22 of 27

Marks: 1 (Budgeted Time 1 Min)

Profit and loss sharing is the principle feature of:

Answer (Please select your correct option)

☐ Sole - proprietorship

☐ Partnership

☐ Company

☐ Trust

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Question No : 23 of 27

Marks: 3 (Budgeted Time 6 Min)

A company incurred development costs of Rs. 10 million during 2007. Future expected economic benefits are Rs. 9 million. Further development costs are estimated Rs. 3 million and marketing expenses are estimated to be Rs. 2 million. You are required to calculate the Development cost that can be deferred.

Answer (Please click here to Add Answer)

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Question No : 24 of 27

Marks: 3 (Budgeted Time 6 Min)

Write down the names of major classifications of liabilities in Balance Sheet?

Answer (Please click here to Add Answer)

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Question No : 25 of 27

Marks: 3 (Budgeted Time 6 Min)

Write down the types of inventory (stock) for **Trading Concerns** and for **Manufacturing Concerns** separately.

Answer ([Please click here to Add Answer](#))

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Question No : 26 of 27

Marks: 5 (Budgeted Time 10 Min)

Suppose a company has a:

- Partially completed inventory item at the year end
- Expected selling price of the item when completed is Rs. 2,600.
- A further cost of Rs. 500 is required to complete the item
- Expected selling cost of the item is Rs. 100

Answer ([Please click here to Add Answer](#))

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Question No : 27 of 27

Marks: 5 (Budgeted Time 10 Min)

What qualitative characteristics make the financial information reliable?

Answer ([Please click here to Add Answer](#))

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